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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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09/396,005

09/13/1999

KHAI HEE KWAN

6815

23336

7590

03/18/2009

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EXAMINER

AUGUSTIN, EVENS J

ART UNIT

PAPER NUMBER

3621

MAIL DATE

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03/18/2009

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 09/396,005	<b>Applicant(s)</b> KWAN, KHAI HEE	
	<b>Examiner</b> EVENS J. AUGUSTIN	<b>Art Unit</b> 3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 30 December 2008.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 13, 14, 26, 33-36, 38-46 and 48-52 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 13-14, 26, 33-36, 38-46 and 48-52 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

### ***Acknowledgements***

1. This is in response to an amendment filed on December 30th, 2008. Independent claim has been amended. Claims 13-14, 26, 33-36, 38-46 and 48-52 are pending.

### ***Response to Arguments***

2. The United States Patent and Trademark Office has fully considered the applicant's arguments filed on December 30th, 2008, but has not found those arguments to be persuasive (see rejection below). 112 issues aside, the claims would be in condition for allowance if applicant is willing to roll the limitations of 26, 36 and 41 into the independent claims.

### ***Claim Rejections - 35 USC § 112 – 2<sup>nd</sup> Paragraph***

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter, which the applicant regards as his invention.

4. Claims 26, 36 and 41 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.
5. As per claims 26, 36 and 41, they are mathematical formulas that contain variables that are "related to" to other variables, but do not provide one skilled in the art how the two variables

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are considered "related". In the claims, it is not clear to one skilled in the art how changing, for example, the value of "R" changes the value of the "flexibility in currency stored".

***Claim Rejections - 35 USC § 103***

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 13-14, 26, 33-36, 38-46 and 48-52 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. (U.S. 6424706) ("Katz"), in view of Walker et al. (U.S. 6138106) ("Walker").
8. As per claims 13-14, 26, 33-36, 38-46 and 48-52, Katz discloses a method and system for purchasing, storing, exchanging, converting, transferring, and otherwise advantageously using prepaid stored value accounts. The computer system/method comprises of the following:

A. ("**In an Internet system having a plurality of computers connected by a network, a user to user payment method executable at host server having a database**") --

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Network such as the Internet, a computer system, a database, a remote input server (col. 8, line 64-67), a plurality of computers (fig. 3A)

**B. ("prompting payer to input payer's account identifier and password ") --**

Prompting subscriber/payer for ID and password (col. 17, lines 50-51), since the system only asks to payer to enter ID and password, password true identity (name, address, and birth date) is not known to the system.

**C. The system includes servers (storage medium necessarily present) (col. 9, lines 58, 64) with proper hardware/software combination (col. 9, lines 49-57, col. 10, lines 1-27)**

**D. ("authenticating the said payer's account identifier and password for validity ")--**

-Validating/authenticating user ID and password (col. 17, lines 51-53)

**E. ("prompting the payer to input payee's account identifier and fund transfer**

**information ")--**Prompting to enter receiving subscriber/payee ID (col. 17, lines 61-62), and the amount to be transferred (col. 18, lines 6-9)

**F. ("receiving said payee's account identifier and said fund transfer information "),**

**("upon authenticating the payee's account identifier, instantly crediting the fund to the payee's account if the balance in the database associated with the payer account identifier and password is more than the fund for transfer ") --**Receiving the receiving ID and after authenticating the ID (col. 18, lines 10-20), checking sender's account for sufficient funds or minutes being redeemed as local currency (col. 19, lines 49-50) (account has to have at least the amount being sent) (col. 18,

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- line 64) debiting sender's account (col. 18, lines 53), and crediting receiver's account (col. 19, lines 5-6)
- G. ("**whereby said stored fund is deposited from a prepaid card**") --The account is which funds are being transferred from is prepaid stored valued account (col. 4, line 42, )
- H. ("**transfer is made without interacting with said payee and independently of said prepaid card**") --The prior art invention makes an electronic funds transfer (col. 8, lines 63-64). Therefore the actual transfer is made without any user interaction and regardless of the origination of source fund
- I. ("**whereby upon completion of storing and linking said prepaid card is valueless**") --The prior teaches the receiver's account is good until it is used up, or of no value (col. 2, lines 25-26)
- J. As per claims 26, 36 and 41, the prior art teaches that if the transfer is an international transfer the system branches to a process 462 where the currency exchange handling begins. First, process 462 calculates the value, in the sender's currency, of the unit-minutes about to be transferred. Next, a process 464, in conjunction with a currency exchange rate tables 465, calculates the equivalent value in the receiver's currency. Next, a process 466, using a unit-minute rate tables 467, calculates the number of receiver unit-minutes equivalent to this amount of receiver currency. Finally, a process 468 calculates the exchange rate fees to be assessed to the sender and returns an output data 469 (col. 18, lines 32-43)

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K. Account being accessed or transferred using ATM or merchant POS (col. 7, lines 63, col. 8, lines 2 and 15)

L. ("**printing a receipt representative of a prepaid card having at least a serial number prepaid card and connected to said host server**") --Sending receipt to both the sender and receiver. This message may be sent in a number of formats, including but limited to, voicemail, email, facsimile message (Print) or text page sent to the wireless handset, containing account/transaction ID (col. 19, lines 17-24)

M. ("**network is a telephone network**") --The system uses telephone service (col. 4, line 61, col. 9, line 1)

9. Katz did not explicitly describe a method/system in which the value of the card= $B \cdot D \cdot L \cdot C \cdot R$ . However, Walker teaches an invention that relates generally to a system for processing gift certificates, and more particularly to a system and process for processing concealed value gift certificates. Walker teaches a system that randomly adds value to some gift certificates, thereby increasing both the real and apparent value of the certificate both to the buyer and the redeemer. It will be appreciated that such variations in establishing the value of the gift certificate code enable the buyer to purchase a gift customized for the recipient, while permitting the seller to establish alternative, flexible pricing schemes (column 7, lines 22-29). In other words, value of the card= $B \cdot D \cdot L \cdot C \cdot R$  falls under the category of pricing schemes established by the seller of the card. Depending on the seller of the card, the different schemes provide flexibility, in terms of establishing the monetary value of the card at a particular time (col. 7, lines 6-19). There would be a reasonable expectation of success using the different schemes or variation

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10. Therefore, it would have been obvious for one of ordinary skill in the art at the time of the applicant's invention to adjust the monetary value in a prepaid card, using the formula of value of the card= $B*D*L*C*R$ . The variables can be chosen randomly, as taught by Walker, or more specified such as the ones described in the claimed invention. It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention since a number of ways/solution can be used to establish the redemption value of the gift certificate (col. 7, lines 6-18), and one of ordinary skill in the art could have pursued any known potential solutions with a reasonable expectation of success.

### ***Conclusion***

11. **THIS ACTION IS MADE FINAL.** Any new ground(s) of rejection is due to the applicant's amendment. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).
12. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.



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13. Any inquiry concerning this communication or earlier communications from the examiner should be directed to EVENS J. AUGUSTIN whose telephone number is 571-272-6860. The examiner can normally be reached on 10am - 6pm M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Andrew Fischer can be reached on (571)272-6779.

/Evens J. Augustin/

Evens J. Augustin

March 18, 2009

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